

CITY COUNCIL MINUTES
December 8, 2008
SPECIAL SESSION

The Regular Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Monday, December 8, 2008 at 5:00 p.m. with Mayor Keith Nesbitt presiding and City Clerk Joseph G.R. Labrie recording the minutes.

CALL TO ORDER
ROLL CALL:

Council Members Present: J. M. Holmes, Bridget Powers, Keith Nesbitt

Council Members Absent: Kevin Hanley, Bob Snyder (arrived 5:07 p.m., left after Closed Session, returned at the time Item 10 was heard)

Staff Members Present: City Manager Robert Richardson, City Attorney Michael Colantuono, Community Development Director Will Wong, Senior Planner Reg Murray, Fire Chief Mark D'Ambrogi, Engineering Division Manager Bernie Schroeder, Transit Analyst Megan Siren, Administrative Services Director Andy Heath, Administrative Manager Joanna Belanger,

City Attorney stated that he wanted to provide the Council with the opportunity to add to the closed session agenda an agreement for discussion regarding Lehman Bros. Council supported the additional agenda item finding that prompt action was required and that the need for action came to the attention of the City Council after the agenda was posted. **MOTION: Holmes/Powers/Approved by Voice (Absent Hanley, Snyder)**

By **MOTION** to adjourn to closed session pursuant to Government Code Section 54956.8: **MOTION: Holmes/Powers/Approved by Voice (Absent Hanley, Snyder)**

(1) **CONFERENCE WITH REAL PROPERTY NEGOTIATOR**
G.C. 54956.8

Property: East Area Hangar Project Ground Lease
Auburn Municipal Airport

Agency
Negotiator: Bob Richardson, City Manager

Negotiating City of Auburn, All Potential Ground Lessors

Parties:

Under Negotiation:

Price and Terms of Payment

(2) **CONFERENCE WITH LEGAL COUNSEL**

The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

Existing Litigation

G/C/ 54956.9(a)

Case: Ronald Fisher and Judy Fisher vs. City of Auburn

Claimants: Ronald Fisher and Judy Fisher

Placer County Superior Court Case No.SVC 23750

REPORT OUT OF CLOSED SESSION

Mayor Nesbitt asked that City Attorney Colantuono explain the pending litigation. City Attorney Colantuono stated, "Council unanimously, which includes Council Members on the dais and Mr. Snyder, authorized the retainer agreement between the City of Auburn and the Law Firm of Conchet, Pitre and McCarty. Pursuant to this agreement that law firm will file a lawsuit against the principals of Lehman Holdings, LLC seeking to recover damages the City incurred when it purchased a bond from Lehman Holdings that was represented as treasury quality debt, which is not treasury quality debt because Lehman is bankrupt. We will refine the language of the agreement, I will sign it, and they will file a lawsuit on the City's behalf, probably early in the New Year."

AGENDA APPROVAL

The agenda was approved as presented by consensus of the Council.

CONSENT CALENDAR

Mayor Nesbitt announced the Item 5, Housing Element, was a public hearing item

1. **Minutes**

By **MOTION** approve City Council Minutes of November 10, 2008.

2. **Annual Local Transportation and State Transit**

By **RESOLUTION 08-147** authorize the Director of Public Works to submit and execute on behalf of the City of Auburn the 2008/09 Transportation Development Act (TDA) claims for Local Transportation Fund (LTF) in the amount of \$594,452 and the State Transit Assistance Fund (STA) in the amount of \$47,037 to the Placer County Transportation Planning Agency (PCTPA).

3. **Boys & Girls Club Modular Project – Notice of Completion**

By **RESOLUTION 08-148** authorize the recording of a Notice of Completion for the Boys and Girls Club Modular Project.

4. **Subrecipient Agreement Between the City of Auburn and Sierra Economic Development Corporation**

By **RESOLUTION 08-149** authorize the Community Development Director to execute a Subrecipient Agreement between the City of Auburn and Sierra Economic Development Corporation for the administration of the City of Auburn Program Income Business Revolving Loan Program and provide other economic development assistance.

5. **General Plan Amendment – 2008 Housing Element Update**

Item follows Consent Calendar.

6. **Pacific Gas and Electric Company Easement Deed, Airport Industrial Park, The Abbey Company**

By **RESOLUTION 08-146** authorize the City Manager to execute the Easement Deed to PG&E.

7. **4th Quarter Financial Status Report – Fiscal Year 2007-08**

- A. By **RESOLUTION 08-151** decrease the estimate for earned revenue in the City's General Fund by \$530,536.
- B. By **RESOLUTION 08-152** decrease the appropriation for expenditures in the City's General Fund by \$501,006; and increase the appropriation for expenditures in the City's Office of Traffic Safety Fund by \$3,468.

***** End of Consent Calendar *****

By **MOTION** approve the Consent Calendar with the exclusion of Item 5. **MOTION; Holmes/Powers/Approved 3:0 (Absent Hanley, Snyder)**

5. **General Plan Amendment – 2008 Housing Element Update**

Item was removed from Consent Calendar to provide the opportunity for public comment. There was none.

By **RESOLUTION 08-150** adopt the Negative Declaration and General Plan Amendment for the 2008 Housing Element Update. **MOTION: Holmes/Powers/Approved 3:0 (Absent Hanley, Snyder)**

8. **Public Comment**

Steven Galyardt, 430 Olive Orchard Drive, spoke on behalf of the Chamber of Commerce and the Festival of Lights Parade. He thanked the Council for its donation and for the services that the City provided.

Brent Smith, CEO of Sierra Economic Development Corporation, stated that the Board approved a resolution to commend Bob Snyder for his service on the Board of Directors.

Brian Hayes, 480 Placerado Avenue, thanked the Council and City Manager for their service to the community.

Colfax City Council Member Ken Delfino presented a portion of a real railroad rail and plaque to the Council. He explained that that Colfax High School and Placer High School became football rivals several years ago. He said they looked for a way to bring the rivals together after the annual Colfax-Placer football game. He said they came up with the “rail.” He presented a plaque to the Council that read, “The Rail, to the annual victor of the Colfax-Placer football games.”

PUBLIC HEARING

9. **Approval of Fire Department Service Fee Schedule**

Fire Chief Mark D’Ambrogi introduced the item. He said he was requesting an increase in the Fire Department’s fees schedule. He explained that it was particularly for the cost for apparatus, fire engines and fire trucks. He said the request is based on the California Office of Emergency Services, Rescue Division, which incorporated the FEMA reimbursement fee in its schedule. He said the Auburn Fire Department would like to be consistent with other service fees since mutual aid services are provided between agencies. The Chief advised that whenever there is justification for a fee increase, he would present it to Council.

By **RESOLUTION 08-153** approve the Fire Department Service Fee Schedule. **MOTION: Powers/Holmes/Approved 3:0 (Absent Hanley, Snyder)**

REPORTS

10. **Quarterly Report of Investments – Quarter Ending September 30, 2008**

Administrative Services/Finance Director introduced the item. He provided an investment summary, portfolio/trend analysis, earnings and investment policy exceptions. Council questions and comments followed.

City Treasurer George Williams commended the Council, from a financial standpoint, on an outstanding job.

Receive, review and file the “City of Auburn Quarterly Investment Report” for the quarter ending September 30, 2008.

11. **City Council Committee Reports**

Council Member Snyder said it appears that there will be the opportunity for Federal funding of community projects in the future. He suggested that the Council create an ad hoc committee to begin to identify the City’s needs so that, when the time comes, the City can be one of the first to request funding. Council Member Holmes suggested that a good way to approach the situation would be through the City’s Administrative Committee.

Mayor Nesbitt said that the City of Auburn will be the Chair for the Placer County Transportation Planning Agency (PCTPA). He said it was up to the previous Chair to call a special meeting regarding the Boys & Girls Club location with respect to the airport. He said the Chair did not call the meeting and the deadline expired.

City Attorney Colantuono said the City will continue to participate in the hearings on the project and believes the deemed approval confirmed by the PCTPA is unauthorized by law.

Council Member Snyder advised that the PCTPA was not made aware of the deadline. He said he found fault with the procedure.

ADJOURNMENT

Adjourn to the meeting of the Auburn Urban Development Authority

Keith Nesbitt, Mayor

Joseph G. R. Labrie, City Clerk